#### BEFORE THE

# **Federal Communications Commission**Washington, D. C. 20554

In re Applio	ation of	)		
ENTERCOM LICENSE, LLC		)	MB Docket	No. 16-357
FM Broadcast Station KDND, Sacramento, California		•	File No.	BRH-20050728AUU BRH-20130730ANM ID # 65483
For Renewal	of License	)		
TO: Of	ffice of the Secretar	У		

## **APPLICATION FOR REVIEW**

Dennis J. Kelly

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Counsel for:

EDWARD R. STOLZ II

April 17, 2017

ATTN: The Commission

## SUMMARY

This case involves an attempt by Entercom Communications Corporation to sweep under the rug serious hearing issues resulting from the death of KDND, Sacramento, California radio contestant Jennifer Lea Strange which the Commission had designated on October 27, 2016 in an order, FCC 16-153.

Rather than face the music before ALJ Richard Sippel, Entercom tendered the KDND license to the Commission for cancellation. Entercom did this in an attempt to facilitate FCC approval of its proposed acquisition of some 177 radio stations from CBS Radio, applications for which were accepted for filing at the FCC on March 31, 2017. However, to date, the KDND license has not been canceled in the CDBS database of the FCC, and ALJ Sippel's March 16, 2017 Order terminating Docket 16-357, FCC 17M-09, did not order the cancellation of the KDND license and the deletion of its facilities.

Edward R. Stolz, II, the former and hopefully future owner of KUDL(FM), 106.5 MHz, Sacramento, California (formerly KWOD), who is in the United States Court of Appeals for the District of Columbia Circuit in Case No. 16-1248, Stolz v. FCC, requests the Commission to transfer the hearing issues specified in Docket 16-357 into a new license renewal hearing proceeding involving Entercom's remaining five Sacramento market cluster stations.

Furthermore, Stolz urges the Commission to adopt all hearing issues proposed by the Intervenors in Docket 16-357 in a "Petition to Enlarge Issues" filed by them on January 9, 2017.

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For Renewal of License	)	
TO: Office of the Secreta	ary	

ATTN: The Commission

### **APPLICATION FOR REVIEW**

Edward R. Stolz II (Stolz), by his attorney, and pursuant to 47 CFR §1.115, hereby respectfully submits this Application for Review of the Order of Chief Administrative Law Judge Richard L. Sippel, FCC 17M-09, released March 16, 2017, terminating with prejudice the above-captioned proceeding (Exhibit A). Sippel failed to rule on a Petition to Enlarge Issues filed on January 9, 2017 by intervenors Media Action Center and Sue Wilson (Intervenors), which he should have granted. In so doing whereof, the following is shown:

#### Preliminary Statement

- 1. Section 1.115(a) of the Commission's rules provides that "[a]ny person aggrieved by any action taken pursuant to delegated authority" may file an Application for Review of the same.
- 2. Stolz has attempted to intervene in the above-captioned proceeding; he has a Petition for Reconsideration pending before the Commission of the Hearing Designation Order and Notice of Opportunity for Hearing, FCC 16-153, released November 28, 2016 which denied him intervenor status. It was Stolz who filed a petition that alleged facts which led the Commission en banc to reverse the Media Bureau staff and designate the above matter for hearing.

#### Statement of the Case

- 3. Stolz believes that the hearing issues designated against Entercom in the KDND matter are relevant as to whether Entercom possesses the basic qualifications, including character qualifications, to be a Commission licensee of any of the stations in its Sacramento cluster. Likewise, there should have been a ruling on Intervenors' January 9, 2017 Petition to Enlarge Issues; since it was never ruled upon by the ALJ, it must be resolved by the Commission in the context of an adversarial hearing before an administrative law judge dealing with the renewal applications of the stations listed in paragraph 6 below.
- 4. It is to be pointed out that were Entercom to be disqualified to be the licensee of KUDL(FM), Sacramento,

California, then an FCC Form 314 application filed in 2002, File No. BALH-20021120ACE, the grant of which Stolz has appealed in the United States Court of Appeals for the District of Columbia Circuit, Stolz v. FCC, Case No. 16-1248, would have to be dismissed, and Stolz would be entitled to recoup the KUDL license which was wrongfully taken from him.

- 5. There is now real confusion over the status of this case, because, despite Entercom sending a letter to the FCC returning its license for cancellation, and the Chief ALJ's attached Order, the FCC's database still shows KDND as a licensed station and the above-captioned renewal applications as still pending (Exhibit B).
- 6. Further, there remains the question of whether the hearing issues which Entercom ducked in Docket 16-357 should be designated for hearing with respect to the remainder of its Sacramento, California market cluster:

KUDL(FM), Sacramento, CA
 Facility ID No. 57889
File No. BRH-20050728ATP
File No. BRFT-20130730ANC

KRXQ(FM), Sacramento, CA Facility ID No. 20354 File No. BRH-20050728AUQ File No. BRH-20130730ANI

KSEG(FM), Sacramento, CA Facility ID No. 11281 File No. BRH-20050728ATX File No. BRH-20130730ANK

KKDO(FM), Fair Oaks, CA Facility ID No. 57889

#### File No. BRH-20130730ANC

# KIFM(AM), West Sacramento, CA

Facility ID No. 67848 File No. BR-20130730ANG

7. Entercom must not be allowed to walk away from the serious hearing issues in the above-captioned docket, particularly in light of the proposed merger between Entercom and CBS Radio (see DA 17-299, March 31, 2017, Exhibit C).

### Questions of Law Presented

- 8. Pursuant to Section 1.115(b) of the Rules, this is to state the questions of law presented by this Application for Review:
  - a. Whether error has been committed by the Commission failing to amend its records to reflect the cancellation of the KDND license and the deletion of its facilities?
  - b. Whether the issues designated for hearing in Docket No. 16-357 must now be tried against Entercom's five other radio stations in the Sacramento, California radio market.
  - c. Whether a Petition to Enlarge Issues filed on behalf of the intervenor in Docket No. 16-357 on January 9, 2017 must be granted against Entercom's five other radio stations in the Sacramento, California radio market.
  - d. Whether procedural error was committed by the ALJ failing to ascertain whether Entercom actually suffered an economic penalty or loss by its voluntary act turning in the KDND(FM) license?

#### Section 1.115(b)(2) Factors

- 9. The rulings in this case must be reversed or vacated, because they implicate the following factors stated in 47 C.F.R. \$1.115(b)(2):
  - (i) The action taken pursuant to delegated authority is in conflict with statute, regulation, case precedent, or established Commission policy (issues a, b and c).
  - (ii) The action involves a question of law or policy which has not previously been resolved by the Commission (issues b, c and d).
  - (v) Prejudicial procedural error (all issues).

#### Argument

- 10. Status of KDND. As of today, it is unclear what the status of KDND is. ALJ Sippel terminated the above-captioned proceeding, yet the FCC's CDBS system as of the undersigned's checking today shows that KDND is still an active license. It seems to us therefore that the Order, FCC 17M-09, is legally defective as it has failed to order the dismissal of all pending KDND applications, the consequent termination and cancellation of the KDND license and the deletion of the KDND facilities. This clearly needs to be dealt with by someone at the FCC.
- 11. Status of Hearing Issues against Entercom. The Commission in the past has not let a party in the posture of Entercom get away with "settling away" designated hearing issues in one case in hopes of avoiding them with respect to the party's

other broadcast stations. Western Cities Broadcasting, Inc., DA 90-1355, 5 FCC Rcd 6177 (Audio Services Division, 1990).

- 12. Western Cities involved an experienced broadcaster named Richard "Rick" Phalen. Phalen had been determined in an Initial Decision rendered by ALJ Walter Miller to be the undisclosed real party in interest in his daughter's application for a new FM construction permit at Montecito, California (MM Docket No. 87-426). Shawn Phalen, 4 FCC Rcd 5714 (ALJ, 1989). The Montecito case was settled, but ALJ Miller recommended that the real party in interest issues be tried against Phalen whenever his next renewal of license application was to be ruled upon. That turned out to be KQKS(FM) in Longmont, Colorado. The Audio Services Division designated the KQKS(FM) application upon appropriate issues.
- 13. Entercom must not be allowed to walk away from the serious unresolved hearing issues in the above-captioned docket, particularly in light of its proposed merger with CBS Radio. There remain material unresolved issues which impact whether Entercom possesses the basic qualifications to be a Commission licensee.
- 14. In the 1986 Policy on Comparative Qualifications in Broadcast Licensing, 102 FCC 2d 1179, at footnote 60, the Commission wrote:

The Commission acknowledges that there may be circumstances in which an applicant has engaged in nonbroadcast misconduct so egregious as to shock the conscience and evoke almost universal disapprobation. See e.g., supra, comments of ABC at note 29. Such misconduct might, of its own nature, constitute prima facie evidence that the applicant lacks the traits of reliability and/or truthfulness necessary to be a licensee, and might be a matter of Commission concern even prior to adjudication by another body. The Commission cannot presently contemplate the manner in which circumstances might arise, and stresses that such considerations would come into play only with regard to a specific application involving specific misconduct.

15. The death of Jennifer Lea Strange was an event that shocked the conscience. We note that Vice-President Pence has proclaimed at the March for Life in Washington, DC on January 27, 2017 that the Trump administration "will not rest until life culture of in America"1. Therefore, restore Commission cannot permit the hearing issues in the abovecaptioned docket be swept under the rug.

Stolz associates himself with the arguments made by Intervenors in their January 9, 2017 "Petition to Enlarge Issues", and incorporates herein by reference said Petition2. particular. the Intervenors arqued, and Stolz urges, following with respect the argument that the hearing issues should apply at least to all stations in Entercom's Sacramento cluster [footnotes omitted] (Petition to Enlarge at 6-7):

Local stations are grouped in clusters to be co-managed by a single hand, typically a vice president, charged with consolidating operations, eliminating duplication and, so far as possible, maximizing revenue and minimizing costs. Compensation of staff is closely tied to market performance, whether market rank or quarterly ratings. Entercom Sacramento was such a station cluster, which also happened at the time to be within the administration of a common subsidiary, Entercom

<sup>1</sup>https://www.theatlantic.com/politics/archive/2017/01/trump-pledgesallegiance-to-pro-life-america/514745/

<sup>&</sup>lt;sup>2</sup>https://ecfsapi.fcc.gov/file/1011381428049/17011103-4.pdf

Sacramento, LLC. It share a common office facility, indeed even shared the lunch room where the notorious contest was staged.

Petitioner submit that within this cluster, through a combination of inattention and cost pressure, two core licensee duties completely atrophied to the point of non-existence: (1) the duty to assure licensee compliance with FCC rules and policies; and (2) the duty of the licensee to maintain oversight and control. While the homicide by negligence of Ms. Strange is indeed a singular event demanding close attention, the licensee failure was much broader:

It was entirely foreseeable that uninformed employees would be likely to violate policies - it was only a question of time until it happened. The only matter that could not have been foreseen was the precise form the misconduct would take.

Walton Broadcasting Inc. (KJKK), Tucson, Arizona, 78 FCC 2d 857 (1980), at 869.

The HOO presents a devastating overview of the policy awareness vacuum and absence of oversight within the Sacramento cluster. The cluster essentially was on its own in matters of FCC compliance, because Carmela Masi, the corporate official in Pennsylvania assigned to this task by penny-pinching management, had a crushing work load (HOO fn. 239). Unable to respond to the particulars of individual inquiries, she generally told station personnel to use their best judgment (HOO para. 71).

17. Stolz incorporates by reference Intervenors' analysis of 47 U.S.C. §309(k) as rejecting a narrow reading of the statute to confine a hearing to one station, but to accept the House of Representatives' language (Petition to Enlarge at 8):

Subsection (k) allows for Commission consideration of incumbent broadcast licensee without contemporaneous consideration of competing applications [the with respect to that station restriction]. Under subsection, the the Commission would grant a renewal application if it finds that the station, had served the public during its term, interest, convenience and necessity; there had been no serious violations by the licensee [emphasis added] of the Communications Act or Commission rules, and there had been no other violations of the Communications Act or

Commission rules which, taken together, indicate a pattern of abuse.

- 18. The Intervenors argued, and Stolz agrees with them, that, "In short, Congress preferred and adopted the version that recognized valid and broad inquiry into licensee violations and into station or licensee pattents of abuse. The record set forth in the HDO amply shows both serious violations, resulting in a negligence verdict against the Sacramento group collectively, and a group-wide outage of oversight and control. Accordingly issues are needed to determine whether or not the pending renewal applications should be granted for KUDL (FM), Facility ID 65889; KIFM (AM), Facility ID 67848; KKDO (FM), Facility ID 6810; KRXQ (FM) Facility ID 20354; KSEG (FM), Facility ID 11281."
- 19. Two days before the end of the Obama administration, the Media Bureau by unreported letter ruling granted these five renewals, when they should have waited for the outcome of the above-captioned matter involving KDND. Stolz timely filed a Petition for Reconsideration of this flawed letter ruling, which is pending as of today.
- 20. Therefore, since in light of the unresolved hearing issues in Docket 16-357 neither the Commission nor its staff acting pursuant to delegated authority can make the statutory finding that the applicant for renewal of licenses of the five stations listed in paragraph 18 above will serve the public interest, convenience and necessity, it is imperative that the

Commission (or the Chief, Audio Division, Media Bureau) vacate the January 18, 2017 letter ruling of the Chief, Media Bureau, return all five stations listed in paragraph 4 above to pending status, and then designate all of their renewal applications for hearing, either in Docket 16-357 or in another docket, and try all of the hearing issues designated against Entercom relative to its operation of KDND to determine whether Entercom has the basic statutory qualifications to be licensee of any of its remaining Sacramento, California market radio cluster stations.

21. Stolz would then renew his request to be granted intervenor status in such hearing. Stolz has a concrete Article III economic interest in the outcome of the above-captioned proceedings, since if Entercom is found to be legally qualified to be a Commission licensee of its Sacramento cluster, Stolz would suffer financial injury. As the Supreme Court wrote in FCC v. Sanders Brothers Radio Station, 309 U.S. 470, 477:

Congress had some purpose in enacting § 402(b)(2). It may have been of opinion that one likely to be financially injured by the issue of a license would be the only person having a sufficient interest to bring to the attention of the appellate court errors of law in the action of the Commission in granting the license. It is within the power of Congress to confer such standing to prosecute an appeal [footnote nine].<sup>3</sup>

We hold, therefore, that the respondent had the requisite standing to appeal and to raise, in the court below, any relevant question of law in respect of the order of the Commission.

<sup>&</sup>lt;sup>3</sup>The text of footnote 9 is: Compare Interstate Commerce Commission v. Oregon-Washington R. Co., 288 U. S. 14, 288 U. S. 23-25.

22. Stolz has an economic interest in the outcome of the proceedings against the Entercom Sacramento cluster, since they impact upon his attempts to recover his license for KUDL (formerly KWOD), 106.5 MHz, Sacramento, California, which is in the United States Court of Appeals for the District of Columbia Circuit in Stolz v. FCC, Case No. 16-1248, the Commission lacks the discretion to deny Stolz party in interest status in the above-captioned docket. In *Elm City Broadcasting Corporation v. FCC*, 235 F.2d 811, 819 (D. C. Cir. 1956), the appellate court wrote:

We think it clear that the only legislative purpose in requiring petitioners for intervention to show 'the basis for their interest' is to enable the Commission to determine whether the petitioners' allegations show them to be 'parties in interest.' When that is done, the Commission has exhausted its discretion; it may not deny intervention to a party in interest merely because it thinks his participation would not aid its decisional process.

- 23. Therefore, the FCC must grant reconsideration of ¶23 of the HDO and grant Stolz status as a party and interest and accord him intervenor status in MB Docket No. 16-357.
- 24. Petition to Enlarge Issues. ALJ Sippel did not rule on the January 9, 2017 Petition to Enlarge Issues. Had Entercom not embarked on its gambit to turn in the KDND license for cancellation, in our view ALJ Sippel would have had no choice to grant the petition. Intervenors had raised the "good deal of smoke" emanating from Entercom's Sacramento cluster indicating its lack of basic qualifications to be a Commission licensee.

Citizens for Jazz on WRVR, Inc. v. FCC, 857 F.2d 1556 (D. C. Cir. 1988).

- 25. Therefore, in a hearing which involves stations KUDL, KRXQ, KSEG, KKDO and KIFM, in addition to restoring all hearing issues stated in the KDND Hearing Designation Order, the Commission must also designate the following issues:
  - To determine whether Entercom Sacramento, a subsidiary of Entercom, failed to properly train and exercise appropriate supervision of staff with respect to FCC compliance matters at stations KUDL (FM); KIFM (AM); KKDO (FM); KRXQ (FM) and KSEG (FM);
  - To determine, light of the evidence adduced under the foregoing issues and the totality of circumstances, whether Entercom License, LLC operated Stations KUDL (FM); KIFM (AM); KKDO (FM); KRXQ (FM) and KSEG (FM) in the public interest during the most recent license term;
  - To determine, light of the evidence adduced under the foregoing issues and the totality of circumstances, whether Entercom's applications for renewal of licenses should be granted, as follows:

KUDL(FM) File No. BRH-20130730ANC

KIFM(AM) File No. BRH-20130730ANG

KKDO(FM) File No. BRH-20130730AND

KRXQ(FM) File No. BRH-20130730ANI

KSEG(FM) File No. BRH-20130730ANK

- To determine, light of the evidence adduced under the foregoing issues and the totality of circumstances, whether Entercom License LLC possesses the necessary character attributes of reliability and legal compliance to be a Commission licensee of Stations KDND (FM), KUDL (FM); KIFM (AM); KKDO (FM); KRXQ (FM) and KSEG (FM);
- To determine whether Entercom License LLC violated Section 73.3588 of the Rules, by failing to report to existence or terms of a settlement agreement, whereby judgment creditors in the case of William A. Strange et al. v. Entercom Sacramento LLC et al. agreed to dismiss their FCC fil ing pending against the defendants

- 26. Actual Punitive Effect Upon Entercom. As it turns out, the shareholders of Entercom are parties to an application to acquire five stations in the Sacramento radio market from CBS Radio, and then spin all of them off into the "Entercom Divestiture Trust". The stations are: KHTZ(AM), Sacramento, CA, FIN 20352; KZZO(AM), Sacramento, CA, FIN 65481; KNCI(FM), Sacramento, CA, FIN 20353; KYMX(FM), Sacramento, CA, FIN 72116; and KSFM(FM), Woodland, CA 59598.
- 27. Entercom may have turned in the KDND license for cancellation, but what penalty exactly did it suffer, as under the FCC's multiple ownership rules it could not own more than 5 FM and 3 AM stations in one market. They would have had to spin off two stations. Furthermore, Entercom may have found that would gain a tax advantage, such as a substantial write-off, by turning in the KDND license.
- 28. For public interest reasons, Entercom should explain how it was penalized by having to turn the KDND license in, to avoid the serious issues that shock the conscience that were designated against it. It looks to the undersigned that Entercom may have set up a shell game to confuse the Commission and get it to sweep these material and serious issues under the rug.
- 29. Other Matters. Previously, Entercom attempted to serve a pleading on the undersigned by e-mail. The undersigned states that it rejects e-mail service, as is our right pursuant to Section 1.47(d) of the Rules; whenever this office sends out an

e-mail, it is done as a courtesy, as this office serves hard copies of all pleadings by first class United States mail or by hand as required in Section 1.47(d-f).

## Conclusion

In light of the termination of Docket 16-357, the Commission now has an obligation to transfer all hearing issues previously designated by the Commission on October 27, 2016 in FCC 16-153 to a new hearing proceeding involving the most recent renewal applications for the following stations: KUDL(FM), Sacramento, California, File No. BRH-20130730ANC; KRXQ(FM), Sacramento, California, File No. BRH-20130730ANI; KSEG(FM), Sacramento, California, File No. BRH-20130730ANK; KKDO(FM), Fair Oaks, California, File No. BRH-20130730AND; and KIFM(AM), West Sacramento, California, File No. BRH-20130730ANG. Furthermore, the Commission needs to adopt all hearing issues proposed by the Intervenors in the above-captioned proceeding on January 9, 2017.

WHEREFORE, Edward R. Stolz II urges that the foregoing Application for Review BE GRANTED; that the Commission issue a KDND(FM), 107.9 formal order that the license for Sacramento, California IS HEREBY **CANCELLED** AND THAT ITS FACILITIES ARE HEREBY DELETED; and that the renewal of license applications filed by Entercom License, LLC and/or affiliated entities for KUDL(FM), KRXQ(FM), KSEG(FM), KDDO(FM) and KIFM(AM) in the Sacramento, California radio market BE DESIGNATED FOR

**HEARING** upon the hearing issues specified by the Commission in its October 27, 2016 Hearing Designation Order, FCC 16-153 and upon the issues stated in paragraph 25 above.

Respectfully submitted,

EDWARD R. STOLZ II

Dennis J. Kelly

His Attorney

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DATED: April 17, 2017



# Before the Federal Communications Commission Washington, DC 20554

FCC 17M-09

In the Matter of	)	MB Docket No. 16-357
Entercom License, LLC Applications for Renewal of License for Station	)	Facility ID No. 65483
KDND(FM), Sacramento, California	)	File Nos. BRH-20050728AUU and BRH-20130730ANM

#### ORDER

Issued: March 16, 2017 Released: March 16, 2017

On October 27, 2016, the Media Bureau released *In the Matter of Entercom License, LLC Application for Renewal of License for Station KDND(FM), Sacramento, California*, Hearing Designation Order and Notice of Opportunity for Hearing, 31 Fcc Rcd 12186 (*HDO*), in the above-captioned renewal proceeding. The *HDO* alleged that Station KDND(FM), a radio station operated by Entercom License, LLC (Entercom) in Sacramento, California, held a water-drinking contest called "Hold Your Wee for a Wii" on January 12, 2007. Following the contest, contestant Jennifer Lea Strange died from water intoxication (hyponatremia). It was determined by a court that her death was a result of the station's negligence.

The *HDO* designated for hearing various legal and factual issues related to the contest, including whether Entercom knew that the contest was dangerous and failed to warn the contestants; whether Entercom operated Station KDND(FM) in the public interest; and whether Entercom's license for Station KDND(FM) should be renewed. 31 FCC Rcd at 12229-30, para. 83.

On January 9, 2017, intervenor Sue Wilson and the Media Action Center (collectively, MAC) filed a Petition to Enlarge Issues (Petition). On January 18, 2017, the Enforcement Bureau filed an Opposition to the Petition. On January 19, 2017, Entercom filed its own Opposition to the Petition. MAC filed a Reply to the Enforcement Bureau on January 26, 2017, and a Reply to Entercom on January 27, 2017. On February 1, 2017, the Enforcement Bureau filed a Motion for Leave to File a Surreply, along with the proposed Surreply.

Prior to any ruling on the Petition, Entercom filed a Notice of Discontinuance with the Media Bureau on February 3, 2017, notifying the Media Bureau that it would "permanently discontinue operation of KDND(FM) . . . on February 8, 2017." On February 8, 2017, Entercom

"forward[ed] the station license for KDND(FM) . . . and other KDND instruments of authorization to the Commission for cancellation . . . ."

The same day, February 8, 2017, Entercom filed a Motion to Dismiss Renewal Applications and Terminate Hearing.<sup>1</sup> On February 10, 2017, MAC filed an Opposition to Entercom's Motion to Dismiss, as well as a request to hold a settlement conference.

Thereafter, on February 22, 2017, Entercom and MAC filed a Joint Motion for Approval of Settlement, to which the Enforcement Bureau had no objection. The settlement agreement only compensates MAC for its legal fees and nothing else, and the fees appear to be reasonable.

### Rulings

Entercom has avoided the Commission hearing process by surrendering its license for KDND(FM). Entercom has also reached a settlement agreement with MAC. Therefore, there is nothing further to be done here beyond dismissal. The ultimate question in the *HDO* was whether Entercom's license for KDND(FM) should be renewed, and that has now been rendered moot by Entercom surrendering its license. Finally, Entercom has willingly accepted the severest penalty of a renewal case by surrendering forever its license to operate KDND(FM), Sacramento, California.

<sup>&</sup>lt;sup>1</sup> The Prehearing Conference set for February 8, 2017 was cancelled via email upon receipt of Entercom's Motion to Dismiss. *See Order*, FCC 17M-02 (rel. Feb. 6, 2017).

# Accordingly, IT IS ORDERED that:

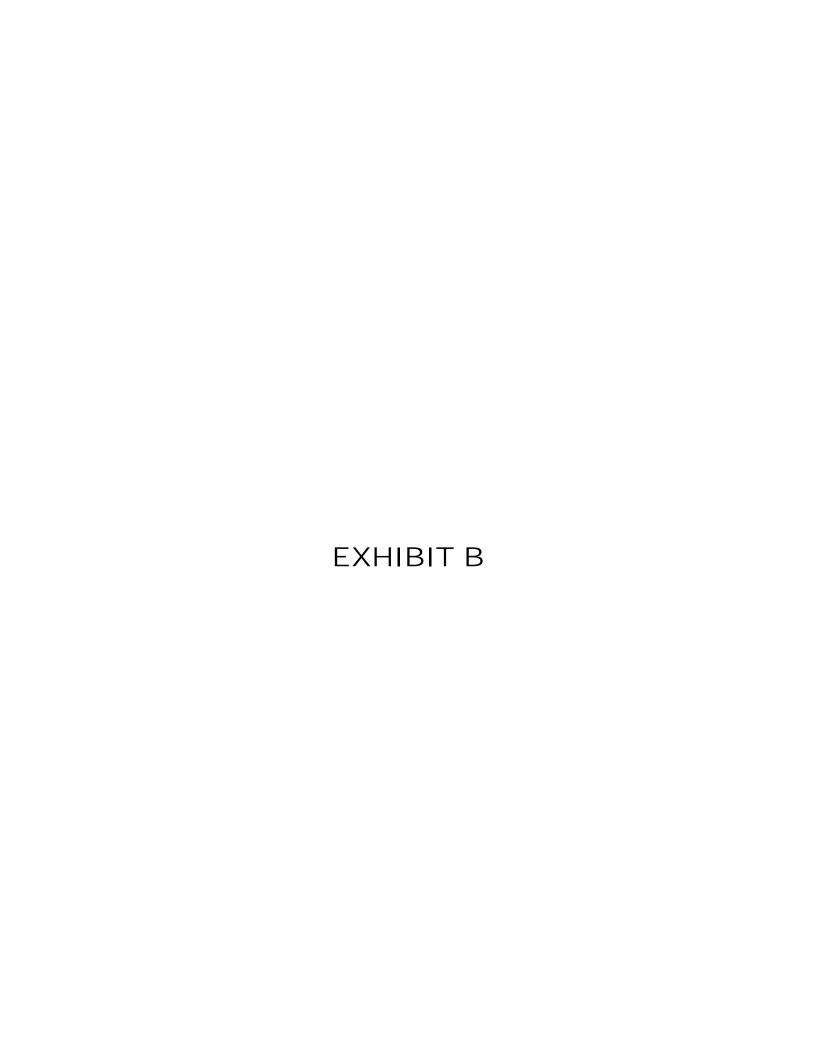
- 1. MAC's Petition to Enlarge and the Bureau's Motion for Leave to File a Surreply **ARE DISMISSED** as moot.
- 2. Entercom and MAC's Joint Motion for Approval of Settlement IS GRANTED; and
- 3. Entercom's Motion to Dismiss IS GRANTED, and this proceeding IS TERMINATED, with prejudice.

SO ORDERED.

FEDERAL COMMUNICATIONS COMMISSION<sup>2</sup>

Richard L. Sippel Chief Administrative Law Judge

<sup>&</sup>lt;sup>2</sup> Courtesy copies of this Order will be sent via email to all counsel of record on the date of issuance.





FCC> Media Bureau> MB-CDBS> CDBS Public Access> Station Search

# Help site map

# Station Search Details

Call Sign: KDND Facility ld: 65483

Primary Station Call Sign:

Community of License: SACRAMENTO, CA

Service: FM

Fac Type: FM STATION Status: LICENSED

Status Date:

Frequency: 107.9

Channel: 300

Digital Status: Hybrid

Lic Expir: 12/01/2005

Licensee: ENTERCOM LICENSE, LLC

Address: 401 E. CITY AVENUE

Address 2: SUITE 809

City: BALA CYNWYD

State: PA Zip Code: 19004 -

Phone Number: (610) 660-5610

Engineering Data

Call Sign History

View Engineering Data

View Call Sign History

FRN History <u>View FRN History</u>

Correspondence Folder <u>View Correspondence Folder</u>

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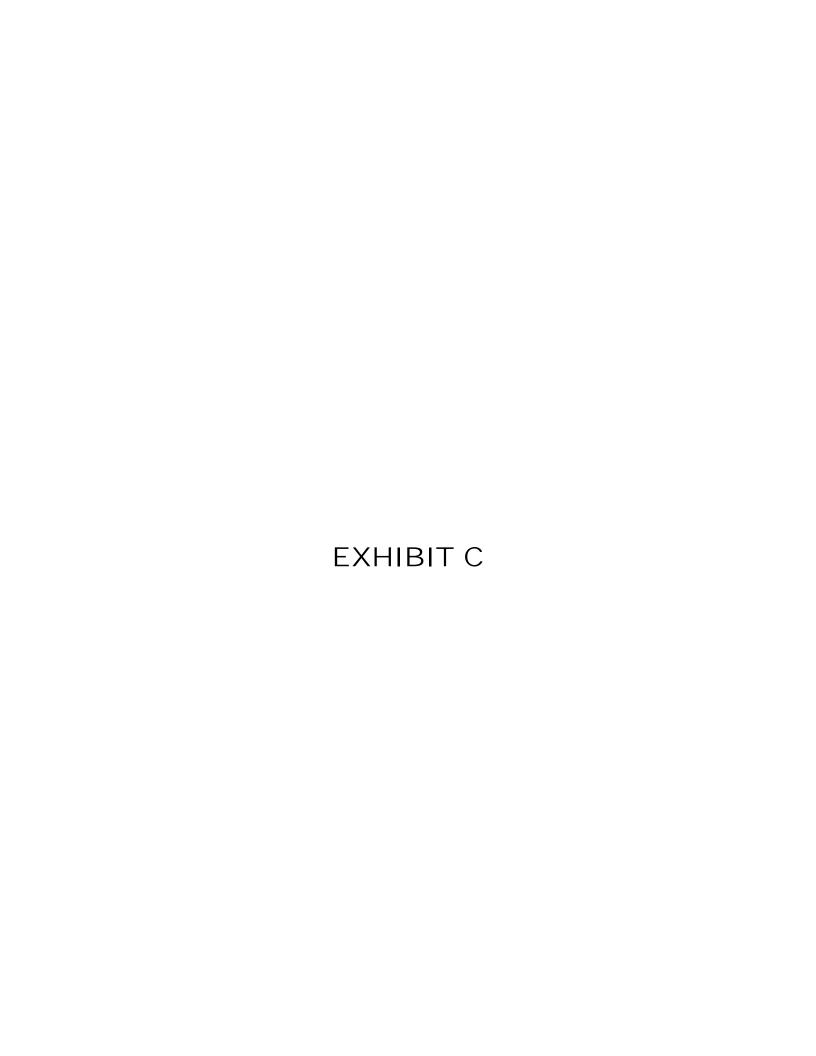
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DA 17-299

Released: March 31, 2017

# ENTERCOM COMMUNICATIONS AND CBS RADIO SEEK APPROVAL TO TRANSFER CONTROL OF AND ASSIGN FCC AUTHORIZATIONS AND LICENSES

#### PROCEEDING DOCKETED AND PLEADING CYCLE ESTABLISHED

MB Docket No. 17-85

Petition to Deny Date: May 1, 2017 Opposition Date: May 11, 2017 Reply Date: May 18, 2017

On March 20, 2017, pursuant to an Agreement and Plan of Merger dated February 2, 2017, Entercom Communications Corp. (Entercom) and CBS Corporation (CBS), and its wholly-owned subsidiary CBS Radio, Inc. (CBSR), jointly submitted applications to the Commission seeking consent to the transfer of control and assignment of certain licenses pursuant to Section 310(d) of the Communications Act of 1934, as amended. The proposed transfer of control and assignment of these licenses is part of a larger transaction whereby: (1) CBSR will be separated from CBS pursuant to a Master Separations Agreement dated February 2, 2017; and (2) a wholly-owned subsidiary of Entercom (Constitution Merger Sub Corp.) will merge with CBSR, with the merged CBSR surviving as a wholly-owned subsidiary of Entercom. Contemporaneously, Entercom will contribute all of the issued and outstanding equity interests of its direct subsidiary, Entercom Radio, LLC, to CBSR, resulting in a substantial change in control of Entercom from the current ownership. The jointly filed applications are listed in the Appendix to this Public Notice.

Three sets of related applications were filed on March 20, 2017: (A) Twenty two (22) Form 315 applications seeking consent to the transfer of control of CBSR and its subsidiaries' radio station licenses; (B) Nine (9) Form 315 applications seeking consent to the transfer of control of Entercom and its subsidiaries' radio station licenses; and (C) Nine (9) Form 314 applications seeking consent to assign from Entercom, Entercom subsidiaries, CBSR and CBSR subsidiaries to The Entercom Divestiture Trust (EDT)<sup>2</sup> a number of radio station licenses (the Divestiture Trust Applications). Absent any other transactions undertaken to comply with the Commission's radio ownership limits, the station licenses to be placed in trust must be divested in seven (7) radio markets because the common ownership of the

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 310(d).

<sup>&</sup>lt;sup>2</sup> The EDT trustee is TDC Communications, LLC, whose sole member is Elliot Evers.

Entercom, CBSR and their subsidiaries' radio stations in these markets would result in the newly-formed Entercom having an attributable interest in a number of radio stations that exceeds the limits set forth in Section 73.3555(a)(1) of the FCC's Rules (Rules).<sup>3</sup>

We note that several of the Divestiture Trust Applications<sup>4</sup> propose to assign to EDT more stations than Entercom actually plans to divest, and, in fact, more stations than EDT can lawfully own under Section 73.3555(a)(1) of the Rules. To the extent that Entercom and CBS otherwise are unable to come into compliance with local radio ownership limits prior to the consummation of the proposed transactions, they will amend those applications to specify the particular stations to be assigned to EDT in accordance with such limits.<sup>5</sup> The Commission, based on the record developed and its review of the amendments, may establish an additional comment period when the amendments are accepted.<sup>6</sup>

In addition, current CBS Board Chairman, President and Chief Executive Officer Leslie Moonves and current CBS Chief Operating Officer Joseph Ianniello will serve as Entercom directors for not more than six months following the closing of the transactions. During that period, they will hold attributable interests in both the television stations owned by CBS and the radio stations owned by Entercom, resulting in their holding interests in radio and television stations in certain markets in excess of the radio-television cross-ownership limits. Accordingly, Entercom and CBS request a temporary waiver of the Commission's radio-television cross-ownership rules during the limited time that Moonves and Ianniello serve on the Entercom board.

#### EX PARTE STATUS OF THIS PROCEEDING

In order to assure the staff's ability to discuss and obtain information needed to resolve expeditiously the issues presented, by this Public Notice, and pursuant to Section 1.1200(a) of the Rules, we establish a docket for this proceeding and announce that the *ex parte* procedures applicable to permitbut-disclose proceedings will govern our consideration of these applications.<sup>8</sup>

Permit-but-disclose *ex parte* procedures permit interested parties to make *ex parte* presentations to the Commissioners and Commission employees and require that these presentations be disclosed in the record of the relevant proceeding. Parties making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed. More than a one- or two-sentence description of the views and arguments

<sup>&</sup>lt;sup>3</sup> 47 CFR § 73.3555(a)(1).

<sup>&</sup>lt;sup>4</sup> Specifically, the Divestiture Trust Applications with lead file numbers BALH-20170320ANE; BALH-20170320ALJ; and BALH-20170320AMS.

<sup>&</sup>lt;sup>5</sup> See 47 CFR § 73.3555(a)(1). Entercom and CBS have pledged to file the necessary amendments to the Divestiture Trust Applications prior to Commission action. Accordingly, they have not specifically requested a waiver of Section 73.3555.

<sup>&</sup>lt;sup>6</sup> See 47 U.S.C. § 309(b) (providing for public notice of "any substantial amendment" of application previously placed on public notice).

<sup>&</sup>lt;sup>7</sup> *Id.* § 1.1200(a).

<sup>&</sup>lt;sup>8</sup> See id. § 1.1206.

<sup>&</sup>lt;sup>9</sup> *Id.* § 1.1206(b)(2).

presented generally is required.<sup>10</sup> Persons making a written *ex parte* presentation to the Commissioners or Commission employees must file the written presentation no later than the next business day after the presentation.<sup>11</sup> Persons making oral *ex parte* presentations must file a summary of the oral presentation no later than the next business day after the presentation.<sup>12</sup> We strongly urge parties to use the Electronic Comment Filing System (ECFS) to file *ex parte* submissions. All *ex parte* filings must be clearly labeled as such and must reference MB Docket No. 17-85.

#### **GENERAL INFORMATION**

The applications for transfer of control and assignment of licenses referred to in this Public Notice have been accepted for filing upon initial review. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's Rules or policies. Interested persons must file petitions to deny no later than **May 1**, **2017**. Oppositions to petitions to deny must be filed no later than **May 11**, **2017**. Replies must be filed no later than **May 18**, **2017**. Persons and entities that file petitions to deny become parties to the proceeding.

To allow the Commission to consider fully all substantive issues regarding the applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. Replies may only address matters raised in oppositions.<sup>13</sup> A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously.<sup>14</sup> Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

All filings concerning matters referenced in this Public Notice should refer to MB Docket No.17-85, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

Submissions in this matter may be filed electronically (*i.e.*, through ECFS) or by filing paper copies.

- Electronic Filers: Documents may be filed electronically using the Internet by accessing the ECFS: http://fjallfoss.fcc.gov/ecfs2/.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. Filings may be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission, 445 12<sup>th</sup> Street, S.W., Washington, DC 20554.

<sup>11</sup> *Id.* § 1.1206(b)(1).

<sup>12</sup> *Id.* § 1.1206(b)(2).

<sup>13</sup> *Id.* § 1.45(c).

<sup>14</sup> See id. §§ 1.46(a) and 73.3584(e).

<sup>&</sup>lt;sup>10</sup> *Id*.

- All hand-delivered or messenger-delivered paper filings no larger than a copier paper box for the Commission's Secretary must be delivered to the Mail and Distribution Window at FCC Headquarters at 445 12th Street, S.W., Washington, D.C. 20554. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington, DC 20554.

## In addition, one copy of each submission must be sent to the following:

- Michael Wagner, Audio Division, Media Bureau, Room 2-A523, e-mail Michael.Wagner@fcc.gov
- Stephen Svab, Audio Division, Media Bureau, Room 2-A802, e-mail Stephen.Svab@fcc.gov

Any submission that is e-mailed to Michael Wagner and Stephen Svab should include in the subject line of the e-mail: (1) MB Docket No. 17-85; (2) the name of the submitting party; (3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 17-85, Entercom CBSR Merger, *Ex Parte* Notice).

*People with Disabilities.* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

Availability of Documents. Documents in this proceeding will be available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554.

The applications are also available electronically through the Commission's ECFS, which will provide hyperlinks to the applications in the Media Bureau's Consolidated Database System (CDBS). ECFS may be accessed on the Commission's Internet website at <a href="http://www.fcc.gov">http://www.fcc.gov</a>.

For further information, contact Michael Wagner at (202) 418-2775 or Stephen Svab at (202) 418-7069. For press inquiries, contact Janice Wise at (202) 418-8165.

By: Acting Chief, Media Bureau

## **CERTIFICATE OF SERVICE**

It is hereby certified that true copies of the foregoing "Application for Review" were served by first-class mail, postage prepaid, or by hand to FCC personnel as indicated below, on this 17<sup>th</sup> day of April, 2017 upon the following:

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<sup>\*</sup>By hand delivery to Office of Secretary filing counter in 445 Twelfth Street, SW, Washington DC 20554